...ky & Navigation Co.
...OF PAN DIVISION
...LEAVE SAN FRANCISCO
...AT 11 A. M.
...Jan 9
...Jan 14
...Jan 19
...Jan 24
...Jan 29
...Feb 3
...and ink cake.
...ER DIVISION
...ers for steamer conn
...ves 15th st. wharf.
...Portland at 8 A. M.
...daily con-
...ington for all
...Sleeping Cars ... Inman Polaco Draw-
...Trains leave ... Portland at 8.30 A. M.
...Sleepers are run through to St. Paul
...with no change.
COLUMBIA RIVER DIVISION
...ALL EXCEPT SUNDAY.
...Dalles at 7 A. M.
...Dalles at 3 P. M.
...Fri. | Sat.
...A M | 6 A M | 6 A M
...A M | 7 A M
...9 A M
GAUGE DIVISION, EAST SIDE.
...LEAVE | ARRIVE
...Albany and Corvallis.
...Albany | Corvallis
...Albany | Corvallis

The Oregonian.

THURSDAY MORNING, JANUARY 22, 1885

STATE TAXATION OF NATIONAL BANKS

An erroneous impression seems to exist somewhat widely in this community as to the power which a state has to tax national bank stock. A plain statement of the law on the subject may be of service at this time, when interest if not excitement is stirred by the ratio at which banks [illegible] the old June [illegible] act—such [illegible] Revenue [illegible] —taxes [illegible]

[illegible] All the power which a state has to tax the stock of national banks is that conferred by this section. As the United States bonds, in which a part or the whole of every national bank is invested are not taxed, it was inevitable that as soon as states passed laws taxing the shares of national banks, disputes would arise in regard to what considerations should be taken into the account in arriving at their taxable value under the restriction "that the taxation shall not be at a greater rate than is assessed upon other moneyed capital in the hands of individual citizens of the state." A case was heard in the United States supreme court in December, 1865, only a year and a half after the act was passed, in which the court considered the question of the value on of bank stock for state taxation in all its most important respects. It was the case of VanAllen vs. The Assessors, reported in 3 Wallace, page 573. This is the leading case upon the subject, and the principle then laid down has since been repeatedly affirmed. The contest a case out of the fact that the board of assessors of the city of Albany assessed Van Allen for fifty shares of the capital stock of the First National bank of Albany when the whole capital of the bank was invested in various United States bonds which congress had exempted from taxation by the state. Van Allen's case was one of several in which the same point was involved, and by him and other shareholders lawyers of such eminence as William M. Evarts and Lyman Trumaine were retained. It was argued with great force that bonds of the United States not being taxable, the state could not tax the shares of those national banks whose capital was invested in such bonds that the taxation of these shares was unconstitutional because it was in effect a tax by the state upon those bonds of the government which comprise the capital of the bank.

The opinion of the court was delivered by Judge Nelson, who held that if it was admitted for the sake of argument that the state tax was a tax of the bonds or capital of the bank, it was still only a tax upon the new uses and privileges conferred by the charter of the bank. It was only a condition annexed to the enjoyment of this new use and application of the bonds, and if congress possessed the power to grant these new rights and privileges—which it was conceded—the power to annex these conditions was equally clear and unquestionable. The court decided that a tax on shares was not a tax upon the capital of a bank, making the distinction between the corporation and the shareholders, which is very apt to be overlooked. It said that the corporation is the legal owner of all the property of the bank real and personal, and within the powers conferred upon it by the charter, and for the purposes for which it was created, can deal with the corporate property as absolutely as a private individual can with his own. The individual members of the corporation are no doubt interested in one sense in the property of the corporation, as they may derive individual benefits from its increase, or loss from its decrease; but in no legal sense are the individual members owners. The interest of the shareholder entitles him to participate in the net profits earned by the bank in the employment of its capital during the existence of its charter in proportion to the number of his shares, and upon its dissolution or termination to his proportion of the property that may remain to the corporation after payment of its debts. This is the [illegible] independent interest or property, held by the shareholder like any other property that may belong to him. Now it is this interest which the act of congress has left subject to taxation by the states, under the limitations of the act."

This decision established the principle that while federal funds as such are exempt from state taxation the shares of national banks although all the capital of the bank might be invested in such funds, could be taxed by the state.

The [illegible] principle was affirmed by the supreme court in two cases—Bradley vs. The People and The People vs. The Commissioners—both of which are printed in the 8th volume of Wallace's reports. In the case of The People vs. The Commissioners Tax Board [illegible] and reported in the 8th volume of United States reports the supreme court was asked further and decided that the state has the right to include the amount of the surplus and undivided profits [illegible] in the value of the stock that the reserved fund is merely a part of the property of the bank and goes to make up the [illegible] shares, just as if it were no fund at all, but merged in the capital stock [illegible] and other funds of the bank in such a way that it could not be separated from the general mass.

In a still later case—First National bank of Chicago vs. Harrold, Judge Drummond in the United States circuit court for the district of Illinois decided that the opinion that in the taxation of the shares of a national bank the shareholders [illegible] to any deduction for such of the capital or surplus of the bank as may be invested in various kinds of bonds which are exempt and instruments which are untaxed. The law of the [illegible] decision for the taxation of [illegible] of the capital stock of banks" at their value to the owners there is simple, and it is fully consistent with the requirement of the federal law. It is in the case of the [illegible] to fix the value of the shares [illegible] the number of shares owned by each and the [illegible] of the shares and all that is necessary for the assessor to arrive at the true value of national bank stock is to follow the rule laid down in the case of People vs. Commissioners of Taxes referred to above.

[illegible]

A temperance senator, who sometimes gets said to [illegible] W. Voorhees, [illegible] Burnside's civil service letter had been published so far [illegible] the democrats would have lost the [illegible] which he represents. There wasn't the [illegible] longer of the letter getting [illegible] before the [illegible]

[illegible] will be [illegible] to perform [illegible] which [illegible] and [illegible] ergy, [illegible] [illegible] speeches [illegible] and [illegible] miles. How [illegible] [illegible] and [illegible] the war from [illegible]

The New York *Times* [illegible] says that [illegible] only [illegible] that is of public consequence in St. John that the [illegible] and since [illegible] [illegible] [illegible]

TION AND COMMISSION.

GILMAN

GILMAN & CO
neers and Commission Merchants,
42 FIRST ST. near TAYLOR AND ASH
N SALES of real estate per fine, general
Tuesdays & Fridays at 10 o'clock A. M.

GULAR AUCTION SALE

RIDAY JAN 23 10 A M.

O. PERKINS & CO.

CIAL AUCTION SALE

SEHOLD FURNITURE

THURSDAY, JAN 22, 1885,

GILMAN & CO., Auctioneers.

SPECIAL NOTICES.

YOSEMITE CAPTAIN MAY FERR
nhaney. Neither the captain nor the
ineers of the above named vessel will
ndebted to the Oregon Railway & Nav. Co.
to pay the same to Messrs. C. B. Jolly No. 10
s he is authorized to collect and receipt for
A. C. hereby notify all persons not to pay
o any one other than the said C. B. Jolly as
erson has any authority to collect the same.
M. H. C. O. T. H. MURPHY.

—THE LARGE AND VALUABLE STOCK OF GOODS
ng between the undersigned and the business
nhaney corner of Second and A streets, Portland
Or., and under the firm name of
ney & Co. Those having any claims against the
ership will please present the same to the
ney, who will continue the business at the old
ney & Co. All persons indebted to the said
ership will please call and settle their accounts
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JOHN BARNES, Agent

The Oregonian.

THURSDAY MORNING, JANUARY [illegible] 1884

THE CITY COUNCIL.

Taxes for the Year to be Fixed at Nine Mills.

Extra School Police Appointed—New Street Sprinkler for North Portland—The Street Light Ordinance Fails to Pass.

A regular meeting of the Council was held last evening, all the members being present and the mayor presiding. The regular and special meetings were upon motion consolidated and ordered to be held at one o'clock the first Thursday in each month.

COMMUNICATIONS.

From the Mayor appointing the following named persons as Special Police: H. Hefner, R. Morrison, W. Kelly, W. Truitt, J. Farnham, Wm. Sutherland, Jno. Wheat, [illegible] Fisher and Sam. Hill. Approved and the Marshal instructed accordingly.

PETITIONS.

William Sherlock and others asked that the sidewalk on the south side of Front street, between Ankeny and Burnside streets, be repaired. Referred to the committee on streets and public property.

Lewis Love notified the city that he had lost a warrant issued to him and asked for a duplicate that he might pay his assessment for the improvement of Flood street. Referred to the committee on ways and means.

REPORTS

The committee on streets and public property recommended an appropriation out of the general fund for the improvement of Jefferson street. Adopted.

BILLS ORDERED PAID

The following claims against the city were read and ordered paid:

S. W. Anderson	$321 60
Standard	40 50
St Vincent's Hospital	77 81
Lee & Marx	148 40
N. P. Brutgen	10 00
H. Ackermann & Co	1 00
Alfred Silvester	[illegible]
Labbe Bros	[illegible]
Thompson & Hazelett & Co	11 50
Thomas Vurvig	1 10
Julius Dik	[illegible]
T. J. Johnson	87 00
Bays & Jeffery	$1 72 05
Wm McLane	1 05
W. H. Steam Mills	45
A. Nepptach	2 25
Jno. Bros	1 80
Morse	1 10
Hoffstet & Mier	[illegible]
[illegible]	1 20
[illegible]	4 10
[illegible]	4 64
[illegible]	114
Greenberg	8 00
Corbitt, Finling & Co	11 25

NEW ORDINANCES.

Providing for the levying of a special tax of four tenths of 1 per cent for the fire department, read twice.

Levying a special tax of one tenth of 1 per cent for the improvement of the Willamette river road, read twice.

Levying a special tax of one tenth of 1 per cent for the cleaning and sprinkling of streets, read twice.

Levying a general tax of three-tenths of 1 per cent to pay the ordinary expenses of the city government, read twice.

Making an appropriation out of the general fund for the payment of salaries of city officers, police men and firemen passed.

Authorizing the city superintendent to expend not over $500 in making, immediate needed repairs to streets, read twice.

Providing for the time and manner of improving Fifteenth street from Columbia to Mill street, read twice.

Providing for the time and manner of improving Twelfth street from B to Market, read twice and referred to the committee on streets and public property.

RESCINDING ORDINANCES

Providing for the leasing of snow from the sidewalk, passed Councilmen Scoggins and Smith voting no.

Authorizing certain contracts for street lighting, with gas oil and electricity. This ordinance was rejected back by the committee on streets and public property without recommendation.

Gurdes moved that it be read a third time and placed on its final passage.

The ordinance was lost by a vote of 4 to 5. Councilmen Sears, who voted yes, asked to be permitted to change his vote so that he might move to reconsider, but he was not permitted to do so by the majority.

An ordinance making a supplementary appropriation for the improvement of Jefferson street was then taken up and passed. Councilmen Sears and Smith voting no.

RESOLUTIONS

Requiring the city surveyor to survey and make his report upon the street asked for in the petition by William Sherlock, adopted.

Granting a franchise to the Portland Social Turn Verein to stretch a banner across First street to advertise their coming grand masquerade. Referred to the committee on streets and public property.

Authorizing the erection of street lamps at the intersection of Eighteenth and S. Ninth and Tenth and S. Tenth first and S. and Twenty-second and S streets, adopted.

Directing for the improvement of North Seventh street from Front to S, adopted.

Requiring the Willamette Iron Bridge Company to remove the drift collected about its piers, not passed, amended by adopted.

Authorizing the committee on health and police to advertise for proposals for feeding city prisoners, adopted.

Requesting Mr. Frank Dekum to fix up Pigeon Hill cemetery in accordance with his verbal promise to do so when the burying was first dedicated, adopted.

THE COURTS.

U. S. CIRCUIT COURT—DEADY, J.

WEDNESDAY, Jan 21

Allen vs O Donald et al—Decree pro confesso. Lewis Barnhart and Anderson—Motion of defendant Anderson to set aside default and for leave of time to answer granted and submitted. Indictment dismissed as to Francis Anderson.

STATE CIRCUIT COURT—SMITH, J.

State of Oregon vs James McGuire—Arraigned on indictment and pleaded not guilty.

Sheriff returns venire for additional jurors.

J. S. Long vs E. Long: Referred to Sam E. Stott to take testimony and report findings.

H. I. Suksdorf vs J. S. Danford et al—Judgment by default in the sum of $112 70 and costs.

J. E. Tuck et al vs J. S. Danford et al—Judgment by default in the sum of $927 85 and costs.

State vs T. J. Morrison—Not guilty.

John Lewis excused as juror until 2 p. m. this day.

L. C. Beeannon vs W. C. Beeannon—Referred to Sam E. Stott to take testimony.

State vs. James McGuire—Guilty of attempt to commit arson. Fined $— and sentenced to [illegible] days in the county jail.

SUPREME COURT

SALEM, Jan 21 1884

Supreme court met at 10 A. M. full bench present.

The City of Salem company respondent vs The Salem Flouring Mills company—Argument and submitted.

Ordered that the court stand adjourned until 10 A. M. to-morrow.

SALEM, Jan. 21.

Supreme court met at 10 A. M., full bench present.

First National Bank, of Springfield, Illinois, respondent vs. J. R. Scott and O. M. Scott—The latter being appellant, appealed from Wasco county; cause on trial.

Dr Hanley's Celery

Beef and Iron will restore the weak to health and vigo

COMMERCIAL.

WEDNESDAY Jan 21

[illegible] of Chicago 2 cars 0 kg cheese 10 pkgs 18 1-8@c coarse 10 bbls lard [illegible] 40 bbls [illegible] stock 1 doz [illegible] to Liverpool

[illegible] Shipped by Chicago for Cork [illegible] 4 cars wheat 34 000 shipped by Balfour Guthrie & Co

[illegible] for Cork [illegible] 0 cars wheat 34 000 shipped by Balfour Guthrie & Co

FLOUR QUOTATIONS—Extra family [illegible] $4 50@4 75 per bbl; superfine [illegible] $3 50@3 75 per bbl

EXPORTS—Per steamer Oregon 4 811 cts wheat 7050 qr 4700 bbls flour 111 sks wheat 16 cts oats 25 sks flour 31 bbls [illegible] 21 bbls [illegible] 115 bags 2 pkgs sundries 4 pkgs bacon 8 pkgs 63 hides 5 bbls deerskins 900 lbs bulb 1 bbl dish oil 100 tons pig iron 25 sacks [illegible] 4 sks [illegible] 1 bbl [illegible] 1 pkg [illegible] 1 bbl [illegible] 1 pkg [illegible] 1 bbl [illegible] 1 pkg